(e) to (f) Yes, Sir. However, to check this decline the Government has taken various measures such as;

- import of all types of ships have been included in the OGL;
- Ships (including second hand ships) *can* be imported freely now without license as per guidelines issued by the Ministry of shipping on 15'" June, 2001 and 5th March, 2002;
- 100 percent FDI is allowed in shipping sector;
- The proposed Custom duty of 5% on import of Ships in the Finance bill for 2001-2002, has been done away with.
- Enhancement of Depreciation rate from 20% to 25% for Ships.
- Section 33AC of IT Act has been made more attractive for Indian Shipping companies. The limit upto which reserves could be built up by the shipping companies for new acquisition will now include general reserves and sha^e premium reserves also. Earlier it was limited to twice the paid up capital of the shipping companies.

Modernization of Major Ports

569. SHRI SURENDRA LATH: Will the Minister of SHIPPING be pleased to state;

(a) the amount spent on the development and the modernization of each major port during Ninth Plan period;

(b) the details thereof; and

(c) the specific development plan drawn up for Paradeep Port during Tenth Plan?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR) (a) and (b) Development and modernization of major ports is an on-going process to cope with the demands of maritime trade. Towards this s.nd, during the Ninth Plan period the major ports have created aggregate additional capacity of 124.40 MTPA through construction of additional berths and terminals, expansion/extension of existing berths, upgradation of cargo handling equipment and floating crafts through replacement

and fresh acquisitions etc. This included completion and operationalisation of two major projects namely, construction of a new port at Ennore near Chennai and the creation of mechanized coal handling facilities at Paradip Port involving a total capacity addition of 32 MTPA. In addition, schemes for improvement in draught and measures for improvement in productivity through modern management techniques were also executed. Port-wise breakup of expenditure on the schemes taken up/completed during the Ninth Plan period is given below:—

S. No, Name of the Port Trust	Expenditure (Rs. in crores)
(i) Kolkata	231.95
(ii) Mumbai	521.69
(iii) Jawaharlal Nehru	203.15
(iv) Chennai	1080.30*
(v) Cochin	77.31
(vi) Vizag	354.80
(vii) Kandia	259.15
(viii) Mormugao	104.52
(ix) Paradip	732.19
(x) New f^angalore	234.86
(xi) Tuticorin	304.50
Total	4104.42

*Includes Rj. 803,08 crores on works executed for construction of Ennore Port.

(c) Schemes/Projects involving an outlay of Rs. 222.70 crores have been included in the Tenth Plan of Paradip Port Trust. The major schemes/ projects are given below:—

(i) Mechanised Coal Handling Plant (spill over)

(ii) Deepening of Channel (to be financed through grant in aid)

(iv) Incorporation of second stream of at Iron Ore Handling Plant (lOHP)

(v) Replacement of Wharf Crane

(vi) Construction of Lighterage Berth

(vii) Extension of Break Water

(viii) Construction of Oil Berth {spill over)

(ix) Upgradation of Power Distribution {spill over)

(x) Construction of Concrete Roaid (spill over); and

(xi) Installation of modern fire fighting systems.

Introducing a Tonnage Tax Scheme

570. SHRI K. RAMA MOHANA RAO: Will the Minister of SHIPPING be pleased to state:

(a) whetfier it is a fact that his Ministry has sent a proposal to the Ministry of Finance for introducing a Tonnage Tax Scheme to replace the existing Corporate Tax scheme;

(b) if so, the details thereof;

(c) whether it would help the domestic vessels;

(d) whether the proposal has been cleared by the CCS;

(e) the present gross registered tonnage of India; and

(f) whether his Ministry is planning to increase the CRT?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR): (a) to (c) Yes, Sir. The Ministry has forwarded a proposal to Ministry of finance for implementation of the Rakesh Mohan Committee recommendation relating to introduction of Tonnage Tax Scheme as an option to Corporate Tax Scheme. The committee has recommended that, recognizing the role of shipping in the national economy, a conducive fiscal regime should be provided so that Indian shipping can be internationally competitive. To facilitate the growth of Indian shipping industry it was also recommended that option should be given to the industry to opt either for Tonnage Tax regime or to continue with the present corporate tax. The step will promote tonnage acquisition in Indian Shipping.